

DEPARTMENT OF THE ARMY PERMIT

Permittee: Jader Fuel Company, LLC.

Permit Number: LRL-2006-172-GJD

Issuing Office: U.S. Army Engineer District, Louisville

NOTE: The term "you" and its derivatives, as used in this permit, means the permittee or any future transferee. The term "this office" refers to the appropriate district or division office of the Corps of Engineers having jurisdiction over the permitted activity or the appropriate official acting under the authority of the commanding officer.

You are authorized to perform work in accordance with the terms and conditions specified below.

Project Description: The proposed project would result in discharges of fill and/or dredged material into "waters of the United States" on a majority of a 330 acre site, which is approved under the Surface Mining Control and Reclamation Act (SMCRA) – Illinois Department of Natural Resources (ILDNR) Permit No. 381.

In the proposed project area, the permittee is proposing the following activities: 1. impact 3925 linear feet of ephemeral streams; 2. impact 8022 linear feet of intermittent streams; 3. impact 4.5 acres of palustrine forested (PFO) wetlands, 8.5 acres of palustrine emergent (PEM) wetlands, and 8.2 acres of palustrine scrub-shrub (PSS) wetlands; and 4. impact up to 29.9 acres of open water.

MITIGATION: The permittee shall reconstruct existing stream morphology, Rosgen Stream Types A, B, C, and E, to a minimum of current functional assessment values. These streams are proposed to be reconstructed utilizing natural channel designs in the same general location as they presently exist at a 1:1 ratio.

To mitigate for the wetland impacts, the permittee shall construct a 21.2 acre PFO wetland, which would be managed for hard mast tree species. Construction of this portion of the mitigation shall be initiated prior to impacts to the existing wetlands to offset some temporal losses.

The permittee shall complete a wetland enhancement project adjacent to the proposed project site and within the South Fork Saline River floodplain. This portion of the proposal is designed to restore lost and protect remaining hydrology to an adjacent oxbow and wetlands located in the South Fork floodplain. An existing head cut at a remnant oxbow is resulting in the loss of surface water in the oxbow and surrounding wetlands. The permittee shall stabilize the head cut by constructing a stop log structure at the head cut to prevent further down cutting and to raise the inundated water levels in the surrounding wetlands. The head cut would also be stabilized utilizing coir net wattles and live stake plantings. The permittee shall raise the elevation of the outlet of the remnant oxbow 8 inches. The permittee shall enhance the existing wetland vegetation by planting hard mast species. 11 acres of the site is characterized by early succession soft mast species. The permittee shall girdle these trees and plant 100 hard mast bare root seedlings per acre. A second vegetated 13 acre area would receive supplemental hard mast bare root plantings at a rate of 40 per acre. No girdling would be completed in this area due to the age and higher quality of the existing tree species.

Project Location: The proposed project is located in unnamed tributary streams and adjacent wetlands to the Saline River, located approximately 2 miles north of Mitchellsville, Saline County, Illinois.

Latitude: 37-39-56

Longitude: 88-31-41

7.5 Minute Quad: Harrisburg, IL

Permit Conditions:**General Conditions:**

1. The time limit for completing the authorized activity ends on December 31, 2015. If you find that you need more time to complete the authorized activity, submit your request for a time extension to this office for consideration at least one month before the above date is reached.
2. You must maintain the activity authorized by this permit in good condition and in conformance with the terms and conditions of this permit. You are not relieved of this requirement if you abandon the permitted activity, although you may make a good faith transfer to a third party in compliance with General Condition 4 below. Should you wish to cease to maintain the authorized activity or should you desire to abandon it without a good faith transfer, you must obtain a modification from this permit from this office, which may require restoration of the area.
3. If you discover any previously unknown historic or archeological remains while accomplishing the activity authorized by this permit, you must immediately notify this office of what you have found. We will initiate the Federal and state coordination required to determine if the remains warrant a recovery effort or if the site is eligible for listing in the National Register of Historic Places.
4. If you sell the property associated with this permit, you must obtain the signature of the new owner in the space provided and forward a copy of the permit to this office to validate the transfer of this authorization.
5. If a conditioned water quality certification has been issued for your project, you must comply with the conditions specified in the certification as special conditions to this permit. For your convenience, a copy of the certification is attached if it contains such conditions.
6. You must allow representatives from this office to inspect the authorized activity at any time deemed necessary to ensure that it is being or has been accomplished with the terms and conditions of your permit.

Special Conditions:

1. The permittee shall adhere to the mine plan and the stream and wetland mitigation plans as outlined in the "Jader Mine #1, Jader Fuel Company, Inc. (mitigation Plan Revision) 404/401 Permit Application Package IDNR Surface Mine Permit #381 USACE ID#200600172-gjd", and the "Jader 1 Mitigation Plan – Addendum 2.2" final revision dated April 22, 2008, of the DA application package. Upon completion of the mitigation construction, as-built plans documenting the final post-mining conditions of the streams and wetlands shall be submitted within 60 days to this office for review and approval. Any modification to these conditions would be required to be demonstrated on amended plans and submitted to this office for prior approval.
2. All stream mitigation shall be planted with a minimum 115' wide riparian corridor.
3. The permittee's responsibility to complete the project in accordance with the submitted plans, proposed compensatory mitigation and listed Special Conditions 1 - 2 will not be considered fulfilled until compliance and mitigation success has been demonstrated and written verification is received from the U.S. Army Corps of Engineers.
4. The permittee shall abide by all 7 Special Conditions and 9 General Conditions in the Illinois Environmental Protection Agency's 401 Water Quality Certification, issued on March 13, 2008.
5. The permittee is restricted from conducting any tree clearing activities from April 1 to September 30.

Further Information:

1. Congressional Authorities. You have been authorized to undertake the activity described above pursuant to:
 - () Section 10 of the Rivers and Harbors Act of 1899 (33 U.S.C. 403).
 - (X) Section 404 of the Clean Water Act (33 U.S.C. 1344).
 - () Section 103 of the Marine Protection, Research and Sanctuaries Act of 1972 (33 U.S.C. 1413).
2. Limits of this authorization.
 - a. This permit does not obviate the need to obtain other Federal, state, or local authorizations required by law.
 - b. This permit does not grant any property rights or exclusive privileges.
 - c. This permit does not authorize any injury to the property or rights of others.
 - d. This permit does not authorize interference with any existing or proposed Federal project.
3. Limits of Federal Liability. In issuing this permit, the Federal Government does not assume any liability for the following:
 - a. Damages to the permitted project or uses thereof as a result of other permitted or unpermitted activities or from natural causes.
 - b. Damages to the permitted project or uses thereof as a result of current or future activities undertaken by or on behalf of the United States in the public interest.
 - c. Damages to persons, property, or to other permitted or unpermitted activities or structures caused by the activity authorized by this permit.
 - d. Design or construction deficiencies associated with the permitted work.
 - e. Damage claims associated with any future modification, suspension, or revocation of this permit.
4. Reliance on Applicant's Data. The determination of this office that issuance of this permit is not contrary to the public interest was made in reliance on the information you provided.
5. Reevaluation of Permit Decision. This office may reevaluate its decision on this permit at any time the circumstances warrant. Circumstances that could require a reevaluation include, but are not limited to, the following:
 - a. You fail to comply with the terms and conditions of this permit.
 - b. The information provided by you in support of your permit application proves to have been false, incomplete, or inaccurate (See 4 above).
 - c. Significant new information surfaces which this office did not consider in reaching the original public interest decision.

Such a reevaluation may result in a determination that it is appropriate to use the suspension, modification, and revocation procedures contained in 33 CFR 325.7 or enforcement procedures such as those contained in 33 CFR 326.4 and 326.5. The referenced enforcement procedures provide for the issuance of an administrative order requiring you to comply with the terms and conditions of your permit and for the initiation of legal action where appropriate. You will be required to pay for any corrective measure ordered by this office, and if you fail to comply with such directive, this office may in certain situations (such as those specified in 33 CFR 209.170) accomplish the corrective measures by contract or otherwise and bill you for the cost.

6. Extensions. General condition 1 establishes a time limit for the completion of the activity authorized by this permit. Unless there are circumstances requiring either a prompt completion of the authorized activity or a reevaluation of the public interest decision, the Corps will normally give you favorable consideration to a request for an extension of this time limit.

Your signature below, as permittee, indicates that you accept and agree to comply with the terms and conditions of this permit.

(PERMITTEE)

(DATE)

This permit becomes effective when the Federal official, designated to act for the Secretary of the Army, has signed below.

RAYMOND G. MIDKIFF
COLONEL, CORPS OF ENGINEERS
(COMMANDER AND DISTRICT ENGINEER)

(DATE)

BY: Mr. George DeLancey
Regulatory Specialist
Regulatory Branch

When the structures or work authorized by this permit are still in existence at the time the property is transferred, the terms and conditions of this permit will continue to be binding on the new owner(s) of the property. To validate the transfer of this permit and the associated liabilities associated with compliance with its terms and conditions, have the transferee sign and date below.

(TRANSFEREE)

(DATE)